

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 719
90TH GENERAL ASSEMBLY

Reported from the Committee on Local Government and Related Matters, April 12, 2000, with recommendation that the House Committee Substitute for the Senate Committee Substitute for Senate Bill No. 719 Do Pass.

ANNE C. WALKER, Chief Clerk

3130L.04C

AN ACT

To repeal section 70.500, RSMo Supp. 1999, relating to the Kansas and Missouri Metropolitan Culture District, and to enact in lieu thereof one new section relating to the same subject.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 70.500, RSMo Supp. 1999, is repealed and one new section enacted in lieu thereof, to be known as section 70.500, to read as follows:

70.500. The Kansas and Missouri metropolitan culture district compact is hereby enacted into law and entered into by the state of Missouri with the state of Kansas legally joining therein, in the form substantially as follows:

**KANSAS AND MISSOURI
METROPOLITAN
CULTURE DISTRICT COMPACT**

ARTICLE I. AGREEMENT AND PLEDGE

The states of Kansas and Missouri agree to and pledge, each to the other, faithful cooperation in the future planning and development of the metropolitan culture district, holding in high trust for the benefit of its people and of the nation, the special blessings and natural advantages thereof.

ARTICLE II. POLICY AND PURPOSE

The party states, desiring by common action to fully utilize and improve their cultural facilities, coordinate the services of their cultural organizations, enhance the cultural activities of their citizens, and achieve solid financial support for such cultural facilities, organizations and activities, declare that it is the policy of each state to realize such desires on a basis of cooperation with one another, thereby serving the best interests of their citizenry and effecting economies in capital expenditures and operational costs. The purpose of this compact is to provide for the creation of a metropolitan culture district as the means to implementation of the policy herein declared with the most beneficial and economical use of human and material resources.

ARTICLE III. DEFINITIONS

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

As used in this compact, unless the context clearly requires otherwise:

(a) "Metropolitan culture district" means a political subdivision of the states of Kansas and Missouri which is created under and pursuant to the provisions of this compact and which is composed of the counties in the states of Kansas and Missouri which act to create or to become a part of the district in accordance with the provisions of Article IV.

(b) "Commission" means the governing body of the metropolitan culture district.

(c) "Cultural activities" means **sports or** activities which contribute to or enhance the aesthetic, artistic, historical, intellectual or social development or appreciation of members of the general public.

(d) "Cultural organizations" means nonprofit and tax exempt social, civic or community organizations and associations which are dedicated to the development, provision, operation, supervision, promotion or support of cultural activities in which members of the general public may engage or participate.

(e) "Cultural facilities" means facilities operated or used for **sports or** participation or engagement in cultural activities by members of the general public.

ARTICLE IV. THE DISTRICT

(a) The counties in Kansas and Missouri eligible to create and initially compose the metropolitan culture district shall be those counties which meet one or more of the following criteria:

(1) The county has a population in excess of 300,000, and is adjacent to the state line;

(2) The county contains a part of a city with a population according to the most recent federal census of at least 400,000; or

(3) The county is contiguous to any county described in provision (1) or (2) of this subpart (a). The counties of Johnson in Kansas and Jackson in Missouri shall be sine qua non to the creation and initial composition of the district. Additional counties in Kansas and Missouri shall be eligible to become a part of the metropolitan culture district if such counties are contiguous to any one or more of the counties which compose the district and within 60 miles of the counties that are required by this article to establish the district;

(b) (1) Whenever the governing body of any county which is eligible to create or become a part of the metropolitan culture district shall determine that creation of or participation in the district is in the best interests of the citizens of the county and that the levy of a tax to provide on a cooperative basis with another county or other counties for financial support of the district would be economically practical and cost beneficial to the citizens of the county, the governing body may adopt by majority vote a resolution authorizing the same.

(2) Wherever a petition, signed by not less than the number of qualified electors of an eligible county equal to 5% of the number of ballots cast and counted at the last preceding gubernatorial election held in the county and requesting adoption of a resolution authorizing creation of or participation in the metropolitan culture district and the levy of a tax for the purpose of contributing to the financial support of the district, is filed with the governing body of the county, the governing body shall adopt such a resolution.

(3) Implementation of a resolution adopted under this subpart (b) shall be conditioned upon approval of the resolution by a majority of the qualified electors of the county voting at an election conducted for such purpose.

(c) (1) Upon adoption of a resolution pursuant to subpart (b)(1) or subpart (b)(2), the governing body of the county shall request, within 36 months after adoption of the resolution, the county election officer to submit to the qualified electors of the county the question of whether the governing body shall be authorized to implement the resolution. The resolution shall be printed on the ballot and in the notice of election. The question shall be submitted to the electors of the county at the primary or general election next following the date of the request filed with the county election officer. If a majority of the qualified electors are opposed to implementation of the resolution authorizing creation of, or participation in, the district and the levy of a tax for financial support thereof, the same shall not be implemented. The governing body of the county may renew procedures for authorization to create or become a part of the district and to levy a tax for financial support thereof at any time following rejection of the question.

(2) The ballot for the proposition in any county shall be in substantially the following form:

Shall a retail sales tax of (insert amount, not to exceed 1/4 cent) be levied and collected in Kansas and Missouri metropolitan culture district consisting of the county(ies) of (insert name of counties) for the support of cultural facilities and organizations within the district?

G YES

G NO

The governing body of the county may place additional language on the ballot to describe the use or allocation of the funds.

(d) (1) The metropolitan culture district shall be created when implementation of a resolution authorizing the creation of the district and the levy of a tax for contribution to the financial support thereof is approved by respective majorities of the qualified electors of at least Johnson County, Kansas, and Jackson County, Missouri.

(2) When implementation of a resolution authorizing participation in the metropolitan culture district and the levy of a tax for contribution to the financial support thereof is approved by a majority of the qualified electors of any county eligible to become a part of the district, the governing body of the county shall proceed with the performance of all things necessary and incidental to participation in the district.

(3) Any question for the levy of a tax submitted after July 1, 2000, may be submitted to the electors of the county at the primary or general election next following the date of the request filed with the county election officer; at a special election called and held as otherwise provided by law; at an election called and held on the first Tuesday after the first Monday in February, except in presidential election years; at an election called and held on the first Tuesday after the first Monday in March, June, August or November; or at an election called and held on the first Tuesday in April, except that no question for a tax levy may be submitted to the electors prior to January 1, 2002.

(4) No question shall be submitted to the electors authorizing the levy of a tax the proceeds of which will be exclusively dedicated to sports or sports facilities.

(e) Any of the counties composing the metropolitan culture district may withdraw from the district by adoption of a resolution and approval of the resolution by a majority of the qualified electors of the county, all in the same manner provided in this Article IV for creating or becoming a part of the metropolitan culture district. The governing body of a withdrawing county shall provide for the sending of formal written notice of withdrawal from the district to

the governing body of the other county or each of the other counties comprising the district. Actual withdrawal shall not take effect until 90 days after notice has been sent. A withdrawing county shall not be relieved from any obligation which such county may have assumed or incurred by reason of being a part of the district, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district.

ARTICLE V. THE COMMISSION

(a) The metropolitan culture district shall be governed by the metropolitan culture commission which shall be a body corporate and politic and which shall be composed of resident electors of the states of Kansas and Missouri, respectively, as follows:

(1) A member of the governing body of each county which is a part of the district, who shall be appointed by majority vote of such governing body;

(2) A member of the governing body of each city, with a population according to the most recent federal census of at least 50,000, located in whole or in part within each county which is a part of the district, who shall be appointed by majority vote of such governing body;

(3) Two members of the governing body of a county with a consolidated or unified county government and city of the first class which is a part of the district, who shall be appointed by majority vote of such governing body;

(4) A member of the arts commission of Kansas or the Kansas commission for the humanities, who shall be appointed by the governor of Kansas; and

[(4)] (5) A member of the arts commission of Missouri or the Missouri humanities council, who shall be appointed by the governor of Missouri. To the extent possible, the gubernatorial appointees to the commission shall be residents of the district. The term of each commissioner initially appointed by a county governing body shall expire concurrently with such commissioner's tenure as a county officer or three years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a county governing body shall expire concurrently with such successor commissioner's tenure as a county officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner initially appointed by a city governing body shall expire concurrently with such commissioner's tenure as a city officer or two years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner succeeding a commissioner initially appointed by a city governing body shall expire concurrently with such successor commissioner's tenure as a city officer or four years after the date of appointment as a commissioner, whichever occurs sooner. The term of each commissioner appointed by the governor of Kansas or the governor of Missouri shall expire concurrently with the term of the appointing governor, the commissioner's tenure as a state officer, or four years after the date of appointment as a commissioner of the district, whichever occurs sooner. Any vacancy occurring in a commissioner position for reasons other than expiration of terms of office shall be filled for the unexpired term by appointment in the same manner that the original appointment was made. Any commissioner may be removed for cause by the appointing authority of the commissioner.

(b) The commission shall select annually, from its membership, a chairperson, a vice chairperson, and a treasurer. The treasurer shall be bonded in such amounts as the commission may require.

(c) The commission may appoint such officers, agents and employees as it may require for the performance of its duties, and shall determine the qualifications and duties and fix the compensation of such officers, agents and employees.

(d) The commission shall fix the time and place at which its meetings shall be held. Meetings shall be held within the district and shall be open to the public. Public notice shall be given of all meetings.

(e) A majority of the commissioners from each state shall constitute, in the aggregate, a quorum for the transaction of business. No action of the commission shall be binding unless taken at a meeting at which at least a quorum is present, and unless a majority of the commissioners from each state, present at such meeting, shall vote in favor thereof. No action of the commission taken at a meeting thereof shall be binding unless the subject of such action is included in a written agenda for such meeting, the agenda and notice of meeting having been mailed to each commissioner by postage-paid first class mail at least 14 calendar days prior to the meeting.

(f) The commissioners from each state shall be subject to the provisions of the laws of the states of Kansas and Missouri, respectively, which relate to conflicts of interest of public officers and employees. If any commissioner has a direct or indirect financial interest in any cultural facility, organization or activity supported by the district or commission or in any other business transaction of the district or commission, the commissioner shall disclose such interest in writing to the other commissioners and shall abstain from voting on any matter relating to such facility, organization or activity or to such business transaction.

(g) If any action at law or equity, or other legal proceeding, shall be brought against any commissioner for any act or omission arising out of the performance of duties as a commissioner, the commissioner shall be indemnified in whole and held harmless by the commission for any judgment or decree entered against the commissioner and, further, shall be defended at the cost and expense of the commission in any such proceeding.

ARTICLE VI. POWERS AND DUTIES OF THE COMMISSION

(a) The commission shall adopt a seal and suitable bylaws governing its management and procedure.

(b) The commission has the power to contract and to be contracted with, and to sue and to be sued.

(c) The commission may receive for any of its purposes and functions any contributions or moneys appropriated by counties or cities and may solicit and receive any and all donations, and grants of money, equipment, supplies, materials and services from any state or the United States or any agency thereof, or from any institution, foundation, organization, person, firm or corporation, and may utilize and dispose of the same.

(d) Upon receipt of recommendations from the advisory committee provided in subsection (g), the commission may provide donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities or activities in counties which are part of the district. In determining whether to provide any such support the commission shall consider the following factors:

- (1) economic impact upon the district;
- (2) cultural benefit to citizens of the district and to the general public;
- (3) contribution to the quality of life and popular image of the district;

(4) contribution to the geographical balance of cultural facilities and activities within and outside the district;

(5) the breadth of popular appeal within and outside the district;

(6) the needs of the community as identified in an objective cultural needs assessment study of the metropolitan area; and

(7) any other factor deemed appropriate by the commission.

(e) The commission may own and acquire by gift, purchase, lease or devise cultural facilities within the territory of the district. The commission may plan, construct, operate and maintain and contract for the operation and maintenance of cultural facilities within the territory of the district. The commission may sell, lease, or otherwise dispose of cultural facilities within the territory of the district.

(f) At any time following five years from and after the creation of the metropolitan cultural district as provided in paragraph (1) of subsection (d) of article IV, the commission may borrow moneys for the planning, construction, equipping, operation, maintenance, repair, extension, expansion, or improvement of any cultural facility and, in that regard, the commission at such time may:

(1) issue notes, bonds or other instruments in writing of the commission in evidence of the sum or sums to be borrowed. No notes, bonds or other instruments in writing shall be issued pursuant to this subsection until the issuance of such notes, bonds or instruments has been submitted to and approved by a majority of the qualified electors of the district voting at an election called and held thereon. Such election shall be called and held in the manner provided by law;

(2) issue refunding notes, bonds or other instruments in writing for the purpose of refunding, extending or unifying the whole or any part of its outstanding indebtedness from time to time, whether evidenced by notes, bonds or other instruments in writing. Such refunding notes, bonds or other instruments in writing shall not exceed in amount the principal of the outstanding indebtedness to be refunded and the accrued interest thereon to the date of such refunding;

(3) provide that all notes, bonds and other instruments in writing issued hereunder shall or may be payable, both as to principal and interest, from sales tax revenues authorized under this compact and disbursed to the district by counties comprising the district, admissions and other revenues collected from the use of any cultural facility or facilities constructed hereunder, or from any other resources of the commission, and further may be secured by a mortgage or deed of trust upon any property interest of the commission; and

(4) prescribe the details of all notes, bonds or other instruments in writing, and of the issuance and sale thereof. The commission shall have the power to enter into covenants with the holders of such notes, bonds or other instruments in writing, not inconsistent with the powers granted herein, without further legislative authority.

(g) The commission shall appoint an advisory committee composed of members of the general public consisting of an equal number of persons from both the states of Kansas and Missouri who have demonstrated interest, expertise, knowledge or experience in cultural organizations or activities. The advisory committee shall make recommendations annually to the commission regarding donations, contributions and grants or other support, financial or otherwise, for or in aid of cultural organizations, facilities and activities in counties which are part of the district.

(h) The commission may provide for actual and necessary expenses of commissioners and advisory committee members incurred in the performance of their official duties.

(i) The commission shall cause to be prepared annually a report on the operations and transactions conducted by the commission during the preceding year. The report shall be submitted to the legislatures and governors of the compacting states, to the governing bodies of the counties comprising the district, and to the governing body of each city that appoints a commissioner. The commission shall publish the annual report in the official county newspaper of each of the counties comprising the district.

(j) The commission has the power to apply to the Congress of the United States for its consent and approval of the compact. In the absence of the consent of Congress and until consent is secured, the compact is binding upon the states of Kansas and Missouri in all respects permitted by law for the two states, without the consent of Congress, for the purposes enumerated and in the manner provided in the compact.

(k) The commission has the power to perform all other necessary and incidental functions and duties and to exercise all other necessary and appropriate powers not inconsistent with the constitution or laws of the United States or of either of the states of Kansas or Missouri to effectuate the same.

ARTICLE VII. FINANCE

(a) The moneys necessary to finance the operation of the metropolitan culture district and the execution of the powers, duties and responsibilities of the commission shall be appropriated to the commission by the counties comprising the district. The moneys to be appropriated to the commission shall be raised by the governing bodies of the respective counties by the levy of taxes as authorized by the legislatures of the respective party states.

(b) The commission shall not incur any indebtedness or obligation of any kind; nor shall the commission pledge the credit of either or any of the counties comprising the district or either of the states party to this compact, except as authorized in article VI. The budget of the district shall be prepared, adopted and published as provided by law for other political subdivisions of the party states. No budget shall be adopted by the commission until it has been submitted to and reviewed by the governing bodies of the counties comprising the district and the governing body of each city represented on the commission.

(c) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become a part of the annual report of the commission.

(d) The accounts of the commission shall be open at any reasonable time for inspection by duly authorized representatives of the compacting states, the counties comprising the district, the cities that appoint a commissioner, and other persons authorized by the commission.

ARTICLE VIII. ENTRY INTO FORCE

(a) This compact shall enter into force and become effective and binding upon the states of Kansas and Missouri when it has been entered into law by the legislatures of the respective states.

(b) Amendments to the compact shall become effective upon enactment by the legislatures of the respective states.

ARTICLE IX. TERMINATION

This compact shall continue in force and remain binding upon a party state until its legislature shall have enacted a statute repealing the same and providing for the sending of formal written notice of enactment of such statute to the legislature of the other party state. Upon enactment of such a statute by the legislature of either party state, the sending of notice thereof to the other party state, and payment of any obligations which the metropolitan culture district commission may have incurred prior to the effective date of such statute, including, but not limited to, the retirement of any outstanding bonded indebtedness of the district, the agreement of the party states embodied in the compact shall be deemed fully executed, the compact shall be null and void and of no further force or effect, the metropolitan culture district shall be dissolved, and the metropolitan culture district commission shall be abolished.

ARTICLE X. CONSTRUCTION AND SEVERABILITY

The provisions of this compact shall be liberally construed and shall be severable. If any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of either of the party states or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of either of the states party thereto, the compact shall thereby be nullified and voided and of no further force or effect.

(a) The board of county commissioners of any county which has been authorized by a majority of the electors of the county to create or to become a part of the metropolitan culture district and to levy and collect a tax for the purpose of contributing to the financial support of the district shall adopt a resolution imposing a countywide retailers' sales tax and pledging the revenues received therefrom for such purpose. The rate of such tax shall be fixed in an amount of not more than .25%. Any county levying a retailers' sales tax under authority of this section is hereby prohibited from administering or collecting such tax locally, but shall utilize the services of the state department of revenue to administer, enforce and collect such tax. The sales tax shall be administered, enforced and collected in the same manner and by the same procedure as other countywide retailers' sales taxes are levied and collected and shall be in addition to any other sales tax authorized by law. Upon receipt of a certified copy of a resolution authorizing the levy of a countywide retailers' sales tax pursuant to this section, the state director of taxation shall cause such tax to be collected within and outside the boundaries of such county at the same time and in the same manner provided for the collection of the state retailers' sales tax. All moneys collected by the director of taxation under the provisions of this section shall be credited to the metropolitan culture district retailers' sales tax fund which fund is hereby established in the state treasury. Any refund due on any countywide retailers' sales tax collected pursuant to this section shall be paid out of the sales tax refund fund and reimbursed by the director of taxation from retailers' sales tax revenue collected pursuant to this section. All countywide retailers' sales tax revenue collected within any county pursuant to this section shall be remitted at least quarterly by the state treasurer, on instruction from the director of taxation, to the treasurer of such county.

(b) All revenue received by any county treasurer from a countywide retailers' sales tax imposed pursuant to this section shall be appropriated by the county to the metropolitan culture district commission within 60 days of receipt of the funds by the county for expenditure by the commission pursuant to and in accordance with the provisions of the Kansas and Missouri

metropolitan culture district compact. If any such revenue remains upon nullification and avoidance of the Kansas and Missouri metropolitan culture district compact, the county treasurer shall deposit such revenue to the credit of the general fund of the county.

(c) Any countywide retailers' sales tax imposed pursuant to this section shall expire upon the date of actual withdrawal of the county from the metropolitan culture district or at any time the Kansas and Missouri metropolitan culture district compact becomes null and void and of no further force or effect. If any moneys remain in the metropolitan culture district retailers' sales tax fund upon nullification and avoidance of the Kansas and Missouri metropolitan culture district compact, the state treasurer shall transfer such moneys to the county and city retailers' sales tax fund to be apportioned and remitted at the same time and in the same manner as other countywide retailers' sales tax revenues are apportioned and remitted.

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